

2001 DRAFTING REQUEST

Senate Amendment (SA-SB316)

Received: **01/16/2002**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Kimberly Plache (608) 266-1832**

By/Representing: **John**

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax Credits - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Plache@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Historic rehabilitation tax credit

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/16/2002	gilfokm 01/16/2002		_____			
/1	jkreye 01/17/2002	jdyer 01/17/2002	pgreensl 01/16/2002	_____	lrb_docadmin 01/16/2002	lrb_docadmin 01/16/2002	
/2	jkreye	gilfokm	pgreensl	_____	lrb_docadmin	lrb_docadmin	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	01/23/2002	01/23/2002	01/17/2002	_____	01/17/2002	01/17/2002	
/3			pgreensl	_____	lrb_docadmin	lrb_docadmin	
			01/23/2002	_____	01/23/2002	01/23/2002	

FE Sent For:

<END>

01/17/2002 09:31:38 AM

Page 1

2001 DRAFTING REQUEST**Senate Amendment (SA-SB316)**

Received: 01/16/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Kimberly Plache (608) 266-1832

By/Representing: John

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax Credits - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: Sen.Plache@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Historic rehabilitation tax credit

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/16/2002	gilfokm 01/16/2002					
/1	jkreye 01/17/2002	jdyer 01/17/2002	pgreensl 01/16/2002	<u>1/23</u>	lrb_docadmin 01/16/2002	lrb_docadmin 01/16/2002	
/2		13-1/23 kmf	pgreensl 1/23 p8	1/23	lrb_docadmin	lrb_docadmin	

01/17/2002 09:31:38 AM

Page 2

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
			01/17/2002 _____		01/17/2002	01/17/2002	

FE Sent For:

<END>

01/17/2002 08:49:41 AM

Page 1

2001 DRAFTING REQUEST**Senate Amendment (SA-SB316)**

Received: 01/16/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Kimberly Plache (608) 266-1832

By/Representing: John

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax Credits - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: Sen.Plache@legis.state.wi.us

Requested
E-mail copy

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

E-MAIL TO
JOHN ANDERSON IN
PLACHE'S OFFICE AS WELL**Topic:**

Historic rehabilitation tax credit

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/16/2002	gilfokm 01/16/2002					
/1		1/2 1/17 jld	pgreensl 01/16/2002	1/16 pg	lrb_docadmin 01/16/2002	lrb_docadmin 01/16/2002	

1/16 pg 8/ch

01/17/2002 08:49:41 AM

Page 2

FE Sent For:

<END>

01/16/2002 05:01:18 PM

Page 1

2001 DRAFTING REQUEST**Senate Amendment (SA-SB316)**

Received: 01/16/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Kimberly Plache (608) 266-1832

By/Representing: John

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax Credits - miscellaneous

Extra Copies:

Submit via email: NO

Pre Topic:

No specific pre topic given

Topic:

Historic rehabilitation tax credit

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 01/16/2002	gilfokm 01/16/2002					
/1			pgreensl 01/16/2002		lrb_docadmin 01/16/2002	lrb_docadmin 01/16/2002	

FE Sent For:

<END>

01/16/2002 03:57:05 PM

Page 1

2001 DRAFTING REQUEST**Senate Amendment (SA-SB316)**

Received: 01/16/2002

Received By: jkreye

Wanted: Today

Identical to LRB:

For: Kimberly Plache (608) 266-1832

By/Representing: John

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax Credits - miscellaneous

Extra Copies:

Submit via email: NO

Pre Topic:

No specific pre topic given

Topic:

Historic rehabilitation tax credit

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
--------------	----------------	-----------------	--------------	----------------	------------------	-----------------	-----------------

1/?	jkreye	11-1/16 dkrey	1/16 p8	1/16 p8/kor			
-----	--------	------------------	------------	----------------	--	--	--

FE Sent For:

<END>

Kreye, Joseph

From: Anderson, John
Sent: Wednesday, January 16, 2002 3:52 PM
To: Richard, Rob; Kreye, Joseph
Subject: RE:

Joe: As Rob predicted, Sen. Plache has the same request for LRBa1092/1 (timing issue) "Any credit claimed for Wisconsin purposes would be claimed at the same time as for federal purposes."

LRBa1089, we need to make this clear that S corporations language is not changed at all.

PLUS, we would like all four of our amendments 1089, 1090, 1091, 1092, to be incorporated into one super simple amendment. Not sure if the Rep. Freese wants this, so I apologize for the additional work.

Please call me with any questions.

Thank you.

John

-----Original Message-----

From: Richard, Rob
Sent: Wednesday, January 16, 2002 3:32 PM
To: Kreye, Joseph
Cc: Anderson, John
Subject:

Joe:

You will receive a similar request from Plache's office. Freese needs changes on amendments 1060/1 and 1063/1. I realize you might be very busy, but we'd greatly appreciate these changes before tomorrow's hearing and exec.

On 1060/1 - the wording on page 1, line 4-5, 8-9 and page 2, line 1-2, needs to be changed to "Any credit claimed for Wisconsin purposes would be claimed at the same time as for federal purposes."

On 1063/1 - we need to maintain the current law status for tax-option corporations, but give the flexibility to LLC and members. For example, on lines 8-12 on page 1, you crossed out some language that I believe causes the opposite of what we want to accomplish. Do you see what I mean?

Please call if you have questions. Thank you!

Rob Richard
Freese Office
6-7502

01/105/1

King

SENATE AMENDMENT,
TO 2001 SENATE BILL 316

1-16-02
NOW

INSERT
1-1

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 8: delete the material beginning with that line and ending with
3 page 3, line 3, and substitute:

4 "71.07 (9m) (f) A partnership, limited liability company, or tax-option
5 corporation may not claim the credit under this subsection. The individual partners
6 of a partnership, members ~~in~~ of a limited liability company, or shareholders in a
7 tax-option corporation may claim the credit under this subsection based on eligible
8 costs incurred by the partnership, company, or tax-option corporation, in proportion
9 to the ownership interest of each partner, member, or shareholder. The partnership,
10 limited liability company, or A tax-option corporation shall calculate the amount of
11 the credit which may be claimed by each partner, member, or shareholder and shall
12 provide that information to the partner, member, or shareholder. Credits computed
13 by a partnership or limited liability company shall be allocated to partners or

1/2 score

PLAIN

PLAIN

1 members as provided in a written agreement among the partners or members that
2 is entered into no later than the last day of the taxable year of the partnership or
3 limited liability company. Any partner or member who claims the credit as provided
4 under this subsection shall attach a copy of the agreement to the tax return on which
5 the credit is claimed. (INSERT 2-5A ✓)

6 (INSERT 2-5B) 2. Page 3, line 11: delete lines 11 to 24 and substitute:

7 "71.28 (6) (f) A partnership, limited liability company, or tax-option
8 corporation may not claim the credit under this subsection. The individual partners
9 of a partnership, members in of a limited liability company, or shareholders in a
10 tax-option corporation may claim the credit under this subsection based on eligible
11 costs incurred by the partnership, company, or tax-option corporation, in proportion
12 to the ownership interest of each partner, member, or shareholder. The partnership,
13 limited liability company, or A tax-option corporation shall calculate the amount of
14 the credit which may be claimed by each partner, member, or shareholder and shall
15 provide that information to the partner, member, or shareholder. Credits computed
16 by a partnership or limited liability company shall be allocated to partners or
17 members as provided in a written agreement among the partners or members that
18 is entered into no later than the last day of the taxable year of the partnership or
19 limited liability company. Any partner or member who claims the credit as provided
20 under this subsection shall attach a copy of the agreement to the tax return on which
21 the credit is claimed." (INSERT 2-21A ✓)

22 3. Page 4, line 7: delete lines 7 to 20 and substitute:

23 "71.47 (6) (f) A partnership, limited liability company, or tax-option
24 corporation may not claim the credit under this subsection. The individual partners

(INSERT
2-21B)

1 of a partnership, members in of a limited liability company, or shareholders in a
2 tax-option corporation may claim the credit under this subsection based on eligible
3 costs incurred by the partnership, company, or tax-option corporation, in proportion
4 to the ownership interest of each partner, member, or shareholder. The partnership,
5 limited liability company, or A tax-option corporation shall calculate the amount of
6 the credit which may be claimed by each partner, member, or shareholder and shall
7 provide that information to the partner, member, or shareholder. Credits computed
8 by a partnership or limited liability company shall be allocated to partners or
9 members as provided in a written agreement among the partners or members that
10 is entered into no later than the last day of the taxable year of the partnership or
11 limited liability company. Any partner or member who claims the credit as provided
12 under this subsection shall attach a copy of the agreement to the tax return on which
13 the credit is claimed".

(END)

INSERT
3-13BINSERT
3-13A

**SENATE AMENDMENT ,
TO 2001 SENATE BILL 316**

*Inserts
to all 05/1*

*(INSERT
2-5A, 2-21A
and 3-13A)*

1 ~~At the locations indicated, amend the bill as follows:~~

2 ~~17~~ Page 3, line 3: delete that line and substitute "attach a copy of the agreement
3 to the tax return on which the credit is claimed. A person claiming the credit as
4 provided under this paragraph is solely responsible for any tax liability arising from
5 a dispute with the department of revenue related to claiming the credit

6 **2.** Page 3, line 24: delete that line and substitute "attach a copy of the
7 agreement to the tax return on which the credit is claimed. A person claiming the
8 credit as provided under this paragraph is solely responsible for any tax liability
9 arising from a dispute with the department of revenue related to claiming the
10 credit."

11 **3.** Page 4, line 20: delete that line and substitute "attach a copy of the
12 agreement to the tax return on which the credit is claimed. A person claiming the
13 credit as provided under this paragraph is solely responsible for any tax liability

1 arising from a dispute with the department of revenue related to claiming the
2 credit."

3 (END)

SENATE AMENDMENT,
TO 2001 SENATE BILL 316

*Any credit claimed
subsections for Wisconsin purposes
shall be claimed at the same
time as for federal purposes*

✓
INSERT
1-1

1 At the locations indicated, amend the bill as follows:

2 ✓ 1. Page 2, line 6: after that line insert:

3 "SECTION 1m. 71.07 (9m) (cm) of the statutes is created to read:

4 71.07 (9m) (cm) ~~No person may claim the credit under this subsection before~~
5 ~~the rehabilitated property is placed in service.~~

6 ✓ 2. Page 3, line 9: after that line insert:

7 "SECTION 3m. 71.28 (6) (cm) of the statutes is created to read:

8 71.28 (6) (cm) ~~No person may claim the credit under this subsection before the~~
9 ~~rehabilitated property is placed in service.~~

10 ✓ 3. Page 4, line 5: after that line insert:

11 "SECTION 5m. 71.47 (6) (cm) of the statutes is created to read:

INSERT
2-21B

INSERT
2-5B

1 ✓ 71.47 (6) (cm) ~~No person may claim the credit under this subsection before the~~
2 ~~rehabilitated property is placed in service.~~

3 (END)

Any credit claimed under this subsection for
Wisconsin purposes shall be claimed at the
same time ^{as} for federal purposes

INSERT

2-21B

**SENATE AMENDMENT ,
TO 2001 SENATE BILL 316**

line 23: on

1 At the locations indicated, amend the bill as follows:

2 *1.* Page 4, lines 23 and 24, delete "2001" and substitute "2002".

3 (END)

*INSERT
3-13B*

Barman, Mike

From: Barman, Mike
Sent: Thursday, January 17, 2002 8:51 AM
To: Sen.Plache
Subject: LRBa1105/1 (attached - requested by John)



01a1105/1

Kreye, Joseph

change a1105

From: Richard, Rob
Sent: Thursday, January 17, 2002 8:45 AM
To: Kreye, Joseph
Subject: FW: LRBa1103/1 & LRBa1104/1 (attached - per your request)

Joe:

Please make the change that Ray suggest below. The same will have to be made for the Senate version. Thank you!

-----Original Message-----

From: Carey, Raymond R. (Madison) [mailto:RCarey@foleylaw.com]
Sent: Wednesday, January 16, 2002 5:52 PM
To: 'Richard, Rob'
Subject: RE: LRBa1103/1 & LRBa1104/1 (attached - per your request)

Rob, we need to narrow the application of current law only to shareholders of tax-option corporations, while changing the law for partnerships and LLCs. The way the amendment is drafted right now, it says that partnerships and LLCs may claim the credit based on in proportion to ownership interest (which is current law) and is not what we want. I suggest trying the following approach:

on page one, line 8, place a period after the word "corporation." The insert the following language: "For shareholders of a tax-option corporation the credit may be allocated" (and it would continue, as drafted, "in proportion to the ownership interest of each"). Then on line 9, strike the words "partner" and "member" (leaving "shareholder"). With that change it narrows the application of current law, with respect to credit allocation, only to shareholders of tax-option corporations.

These changes would have to be repeated in the other sections of the amendment, of course.

The other amendment concerning the timing of the credit looks good.

Please call with questions. The drafting attorney may also call me (tomorrow I'll be on my cell phone at 220-6461).

Raymond R. Carey
Foley & Lardner
150 East Gilman Street
Madison, WI 53703
608.258.4778
608.258.4258 - fax

-----Original Message-----

From: Richard, Rob [mailto:Rob.Richard@legis.state.wi.us]
Sent: Wednesday, January 16, 2002 5:22 PM
To: 'rcarey@foleylaw.com'; Ourada, Thomas D
Subject: FW: LRBa1103/1 & LRBa1104/1 (attached - per your request)

Here are the new amendments. I gave them to Sykora for tomorrow. If you have any changes, I need to know ASAP.
Rob

> -----Original Message-----

> From: Barman, Mike

> Sent: Wednesday, January 16, 2002 4:47 PM

> To: Rep.Freese

> Subject: LRBa1103/1 & LRBa1104/1 (attached - per your request)

>

> <<01a1103/1>> <<01a1104/1>>



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa1105/1

JK:kmg:pg

SENATE AMENDMENT,
TO 2001 SENATE BILL 316

1-17
NOW

For shareholders of a tax-option corporation, the credit may be allocated

1 At the locations indicated, amend the bill as follows:

2 1. Page 2, line 6: after that line insert:

3 "SECTION 1m. 71.07 (9m) (cm) of the statutes is created to read:

4 71.07 (9m) (cm) Any credit claimed under this subsection for Wisconsin
5 purposes shall be claimed at the same time as for federal purposes."

6 2. Page 2, line 8: delete the material beginning with that line and ending with
7 page 3, line 3, and substitute:

8 "71.07 (9m) (f) A partnership, limited liability company, or tax-option
9 corporation may not claim the credit under this subsection. The individual partners
10 of a partnership, members in of a limited liability company, or shareholders in a
11 tax-option corporation may claim the credit under this subsection based on eligible
12 costs incurred by the partnership, company, or tax-option corporation, in proportion
13 to the ownership interest of each partner, member, or shareholder. The partnership,

1 limited liability company, or tax-option corporation shall calculate the amount of the
2 credit which may be claimed by each partner, member, or shareholder and shall
3 provide that information to the partner, member, or shareholder. Credits computed
4 by a partnership or limited liability company shall be allocated to partners or
5 members as provided in a written agreement among the partners or members that
6 is entered into no later than the last day of the taxable year of the partnership or
7 limited liability company. Any partner or member who claims the credit as provided
8 under this subsection shall attach a copy of the agreement to the tax return on which
9 the credit is claimed. A person claiming the credit as provided under this paragraph
10 is solely responsible for any tax liability arising from a dispute with the department
11 of revenue related to claiming the credit."

12 **3.** Page 3, line 9: after that line insert:

13 "SECTION 3m. 71.28 (6) (cm) of the statutes is created to read:

14 71.28 (6) (cm) Any credit claimed under this subsection for Wisconsin purposes
15 shall be claimed at the same time as for federal purposes."

16 **4.** Page 3, line 11: delete lines 11 to 24 and substitute:

17 "71.28 (6) (f) A partnership, limited liability company, or tax-option
18 corporation may not claim the credit under this subsection. The individual partners
19 of a partnership, members in of a limited liability company, or shareholders in a
20 tax-option corporation may claim the credit under this subsection based on eligible
21 costs incurred by the partnership, company, or tax-option corporation, in proportion
22 to the ownership interest of each partner, member, or shareholder. The partnership,
23 limited liability company, or tax-option corporation shall calculate the amount of the
24 credit which may be claimed by each partner, member, or shareholder and shall

✓ For shareholders of a tax-option corporation, the credit may be allocated

1 provide that information to the partner, member, or shareholder. Credits computed
2 by a partnership or limited liability company shall be allocated to partners or
3 members as provided in a written agreement among the partners or members that
4 is entered into no later than the last day of the taxable year of the partnership or
5 limited liability company. Any partner or member who claims the credit as provided
6 under this subsection shall attach a copy of the agreement to the tax return on which
7 the credit is claimed. A person claiming the credit as provided under this paragraph
8 is solely responsible for any tax liability arising from a dispute with the department
9 of revenue related to claiming the credit.”.

10 **5.** Page 4, line 5: after that line insert:

11 “SECTION 5m. 71.47 (6) (cm) of the statutes is created to read:

12 71.47 (6) (cm) Any credit claimed under this subsection for Wisconsin purposes
13 shall be claimed at the same time as for federal purposes.”.

14 **6.** Page 4, line 7: delete lines 7 to 20 and substitute:

15 “71.47 (6) (f) A partnership, limited liability company, or tax-option
16 corporation may not claim the credit under this subsection. The individual partners
17 of a partnership, members in of a limited liability company, or shareholders in a
18 tax-option corporation may claim the credit under this subsection based on eligible
19 costs incurred by the partnership, company, or tax-option corporation, in proportion
20 to the ownership interest of each partner, member, or shareholder. The partnership,
21 limited liability company, or tax-option corporation shall calculate the amount of the
22 credit which may be claimed by each partner, member, or shareholder and shall
23 provide that information to the partner, member, or shareholder. Credits computed
24 by a partnership or limited liability company shall be allocated to partners or

. For shareholders of a tax-option corporation,
the credit may be allocated ✓

1 members as provided in a written agreement among the partners or members that
2 is entered into no later than the last day of the taxable year of the partnership or
3 limited liability company. Any partner or member who claims the credit as provided
4 under this subsection shall attach a copy of the agreement to the tax return on which
5 the credit is claimed. A person claiming the credit as provided under this paragraph
6 is solely responsible for any tax liability arising from a dispute with the department
7 of revenue related to claiming the credit.”.

8 **7.** Page 4, line 23: on lines 23 and 24, delete “2001” and substitute “2002”.

9 (END)

Kreye, Joseph

From: Anderson, John
Sent: Tuesday, January 22, 2002 4:12 PM
To: Kreye, Joseph
Subject: changes for LRBa1105/2

Joe, would you please incorporate the DOR's suggestion into LRBa1105/2. Thank you.

John



SB316amendlang_.
doc

DOR comments on LRB 1105/2

1/18/02

Allocation of Credits:

LRB a1105/2 is more complex and restrictive than DOR would like to see. Under the amendment, s-corporation shareholders may claim the credit in proportion to ownership interests; LLC and partnerships may not, unless they so specify by contract (agreement) and include a copy of the agreement with their tax return. Requiring these companies to submit the agreement whether or not they are making a different allocation is unnecessary paperwork for both the company and the Department.

DOR would prefer that companies be required to submit agreements only if they are making a special allocation. The Department believes that, even with this law change, most businesses will continue to allocate credits in proportion to ownership interests. Those companies would still be required to send copies of their agreements to the Department.

DOR recommends as an alternative that section 71.07 (9m)(f) be amended as follows:

- (1) 71.07(9m)(f) A partnership, limited liability company or tax-option corporation may not claim the credit under this subsection. The individual partners in a partnership, members in of a limited liability company or shareholders in a tax-option corporation may claim the credit under this subsection based on eligible costs incurred by the partnership, company or tax-option corporation, in proportion to the ownership interest of each partner, member or shareholder. The partnership, limited liability company or tax-option corporation shall calculate the amount of the credit which may be claimed by each partner, member or shareholder and shall provide that information to the partner, member or shareholder.
- (2) Notwithstanding subparagraph (1), credits computed by a partnership or limited liability company may be allocated to partners or members as provided in a written agreement among the partners or members that is entered into no later than the last day of the taxable year of the partnership or limited liability company. Any partner or member who claims the credit under this subparagraph, shall attach a copy of the agreement to the tax return on which the credit is claimed and shall be solely responsible for any tax liability arising from a dispute with the department of revenue related to claiming the credit.

Note that DOR recommends substituting the word "may" for "shall" in paragraph (2) above regarding allocation because not all partnerships have written agreements and DOR believes that it would be a burden to require those that don't to enter into agreements.

Kreye, Joseph

From: Anderson, John
Sent: Tuesday, January 22, 2002 4:18 PM
To: Kreye, Joseph
Subject: RE: changes for LRBa1105/2

I'll send back the stripes. Thank you.

-----Original Message-----

From: Kreye, Joseph
Sent: Tuesday, January 22, 2002 4:17 PM
To: Anderson, John
Subject: RE: changes for LRBa1105/2

John,

Do you want me to redraft LRBa1105/2 to incorporate the changes (in which case I need the stripes back) or should I prepare a new amendment (new LRB number) that will incorporate the change?

Joseph T. Kreye
Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

-----Original Message-----

From: Anderson, John
Sent: Tuesday, January 22, 2002 4:12 PM
To: Kreye, Joseph
Subject: changes for LRBa1105/2

Joe, would you please incorporate the DOR's suggestion into LRBa1105/2. Thank you.

John

<< File: SB316amendlang .doc >>



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa1105/2³
JK:kmg:pg

SENATE AMENDMENT,
TO 2001 SENATE BILL 316

SB 316
is attached

m 1-23-02

TODAY

1 At the locations indicated, amend the bill as follows:

2 ✓ 1. Page 2, line 6: after that line insert:

3 "SECTION 1m. 71.07 (9m) (cm) of the statutes is created to read:

4 71.07 (9m) (cm) Any credit claimed under this subsection for Wisconsin
5 purposes shall be claimed at the same time as for federal purposes."

6 2. Page 2, line 8: delete the material beginning with that line and ending with
7 page 3, line 3, and substitute: Section 2b. 71.07 (9m) (f) is renumbered 71.07 (9m) (f) 1. and
8 amended to read:

9 71.07 (9m) (f) 1. A partnership, limited liability company, or tax-option
corporation may not claim the credit under this subsection. The individual partners

10 of a partnership, members in of a limited liability company, or shareholders in a
11 tax-option corporation may claim the credit under this subsection based on eligible
12 costs incurred by the partnership, company, or tax-option corporation. For

13 shareholders of a tax-option corporation, the credit may be allocated in proportion

¶ Sec 2m. cr, 71.07(9m)
(f) 2.

to the ownership interest of each partner, member or shareholder. The partnership, limited liability company, or tax-option corporation shall calculate the amount of the credit which may be claimed by each partner, member, or shareholder and shall provide that information to the partner, member, or shareholder. Credits computed by a partnership or limited liability company shall be allocated to partners or members as provided in a written agreement among the partners or members that is entered into no later than the last day of the taxable year of the partnership or limited liability company. Any partner or member who claims the credit as provided under this subsection shall attach a copy of the agreement to the tax return on which the credit is claimed. A person claiming the credit as provided under this paragraph and shall be solely responsible for any tax liability arising from a dispute with the department of revenue related to claiming the credit.

✓ 3. Page 3, line 9: after that line insert:

"SECTION 3m. 71.28 (6) (cm) of the statutes is created to read:

71.28 (6) (cm) Any credit claimed under this subsection for Wisconsin purposes shall be claimed at the same time as for federal purposes."

4. Page 3, line 11: delete lines 11 to 24 and substitute:

71.28 (6) (f) A partnership, limited liability company, or tax-option corporation may not claim the credit under this subsection. The individual partners of a partnership, members in of a limited liability company, or shareholders in a tax-option corporation may claim the credit under this subsection based on eligible costs incurred by the partnership, company, or tax-option corporation. For shareholders of a tax-option corporation, the credit may be allocated in proportion to the ownership interest of each partner, member or shareholder. The partnership,

- 3 -

¶ Sec 4m. or 71.28(6)(f) 2.
A 71.28 (6)(f) 2.

limited liability company, or tax-option corporation shall calculate the amount of the credit which may be claimed by each partner, member, or shareholder and shall provide that information to the partner, member, or shareholder. *Credits computed*

claim
by a partnership or limited liability company ~~shall~~ *may* be allocated to partners or members as provided in a written agreement among the partners or members that is entered into no later than the last day of the taxable year of the partnership or limited liability company. Any partner or member who claims the credit as provided under this ~~subsection~~ *division* shall attach a copy of the agreement to the tax return on which the credit is claimed. ~~A person claiming the credit as provided under this paragraph~~ *and shall be* solely responsible for any tax liability arising from a dispute with the department of revenue related to claiming the credit."

✓ 5. Page 4, line 5: after that line insert:

Notwithstanding subd. 1,

"SECTION 5m. 71.47 (6) (cm) of the statutes is created to read:

71.47 (6) (cm) Any credit claimed under this subsection for Wisconsin purposes shall be claimed at the same time as for federal purposes." *(LS)*

✓ 6. Page 4, line 7: delete lines 7 to 20 and substitute: *Sec 6b. 71.47(6)(f) is renumbered to read:*

71.47 (6) (f) A partnership, limited liability company, or tax-option corporation may not claim the credit under this subsection. The individual partners of a partnership, members ~~in~~ of a limited liability company, or shareholders in a tax-option corporation may claim the credit under this subsection based on eligible costs incurred by the partnership, company, or tax-option corporation. *claim* **For**

claim
shareholders of a tax-option corporation, the credit may be allocated in proportion to the ownership interest of each partner, member or shareholder. The partnership, limited liability company, or tax-option corporation shall calculate the amount of the

claim
* 2

71.47 (6) (F) 2. is wanted to read:
A 71.47 (6) (F) 2.

1 credit which may be claimed by each partner, member, or shareholder and shall
2 provide that information to the partner, member, or shareholder. ^C Credits computed

3 by a partnership or limited liability company ~~shall~~ ^{may} be allocated to partners or
4 members as provided in a written agreement among the partners or members that
5 is entered into no later than the last day of the taxable year of the partnership or
6 limited liability company. Any partner or member who claims the credit as provided
7 under this ^{division} ~~subsection~~ shall attach a copy of the agreement to the tax return on which
8 the credit is claimed. ~~A person claiming the credit as provided under this paragraph~~
9 ^{and shall be} ~~is~~ solely responsible for any tax liability arising from a dispute with the department
10 of revenue related to claiming the credit".

11 ✓ 7. Page 4, line 23: on lines 23 and 24, delete "2001" and substitute "2002".

12 (END)

plain

Notwithstanding subd. 1.,